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SALLQUIST, DRUMMOND & O'CONNOR, P.C. RECEIVED

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2007 NOV -8 P 1:09

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DOCKET CONTROL
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RICHARD L. SALLQUIST

November 8, 2007

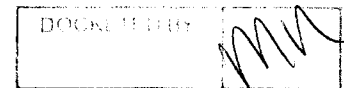
Arizona Corporation Commission

DOCKETED

NOV 08 2007

HAND DELIVERY

Judge Yvette Kinsey
Arizona Corporation Commission
Hearing Division
1200 West Washington Street
Phoenix, Arizona 85007



Re: Little Park Water Company; Docket No. W-02192A-07-0326; Late Filed Exhibits

Dear Judge Kinsey:

At the hearing in the subject matter, you requested that the Company file three late filed Exhibits. Attached hereto are the Company's August 29, 2007 and November 5, 2007 correspondence to the Arizona Department of Environmental Quality requesting an Exemption from the Arsenic Maximum Contamination Level. Also attached is a revised Curtailment Tariff, modifying Sheet No. 6 in accordance with Marlin Scott's testimony at the proceeding.

In the event you have any request is regarding this matter, please do not hesitate to contact the undersigned.

Sincerely,

Richard L. Sallquist

Cc: Docket Control (15 copies)
Kenya Collins
Linda Jaress
Marlin Scott
Steve Gudovic

Little Park Water Company

45 Castle Rock Road #4
Sedona, AZ 86351
Tel. 928/284-1133 Fax 928/284-1974

Sent Via Fax #602-771-4505

November 5, 2007

Mr. John Calkins
Compliance Manager – Drinking Water Section
Arizona Department of Environmental Quality
1110 W. Washington Street
Phoenix, AZ 85007

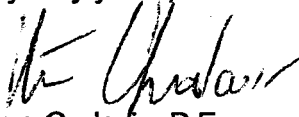
RE: **Request for Exemption from Arsenic Maximum Contaminant Level for
Little Park Water Company – PWC #13-075**

Dear Mr. Calkins:

This letter is a follow-up to my letter dated August 29, 2007 (see attached) requesting an exemption from Arsenic Maximum Contaminant Level for Little Park Water Company. We strongly believe that we qualify for an exemption status for the above water system as explained in our August 29, 2007 letter. We would like to know when we can expect to receive the exemption status.

If any additional information is required from us, please let us know. Since time is of the essence, your prompt response is very much appreciated.

Very truly yours,



Steve Gudoyic, P.E.
President
Little Park Water Company

Enclosure

FILE
11-5-07
12:15 pm

Little Park Water Company

45 Castle Rock Road #4

Sedona, AZ 86351

Tel. 928/284-1133 Fax 928/284-1974

August 29, 2007

Mr. John Calkins
Compliance Manager – Drinking Water Section
Arizona Department of Environmental Quality
1110 W. Washington Street
Phoenix, AZ 85007

**RE: Request for Exemption from Arsenic Maximum Contaminant Level for
Little Park Water Company – PWS#13-075**

Dear Mr. Calkins:

Little Park Water Company (LPWC) hereby requests an exemption from the Maximum Contaminant Level (MCL) for arsenic for LPWC water system PWS#13-075 effective immediately upon your approval pursuant to Arizona Administrative Code Section R 18-4-111. LPWC water system is presently comprised of two (2) points of entry (POE) into the distribution system. The arsenic level for each POE is shown on the attachment.

For some time, LPWC has been actively pursuing the arsenic issue as follows:

- A. We attended numerous seminars, workshops, conferences, etc. trying to learn more about arsenic treatment technology and select the best available technology for our system.
- B. I am co-founder of the Arsenic Remediation Coalition (ARC) and I am presently on the Board of the same organization. LPWC is a member of ARC.
- C. We contacted most of the known arsenic remediation vendors in the U.S. and Canada and obtained proposals from them.
- D. Arizona Corporation Commission established a tariff for LPWC called the "Arsenic Impact Hook-up Fee" which became effective May 2005. This tariff enabled us to collect funds from customers with newly established meters. This tariff will partially alleviate the tremendous capital expenditure which is required by the water utility company to meet the proposed arsenic MCL.
- E. For all these years we kept our customers informed about the arsenic issue via written media, presentations to public organizations, individual discussions, etc.

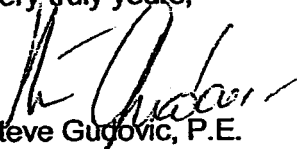
As of December 31, 2006, LPWC provides service to 68 single family customers with a total revenue of \$49,360 and a net loss of \$2,837. LPWC is under an extreme financial hardship to install and operate arsenic treatment equipment by the end of 2007. This economic hardship is a compelling factor making it impossible for LPWC to comply with the new arsenic standard at this time.

Mr. John Calkins
August 29, 2007
Page 2

According to the federal arsenic exemption criteria, an exemption request by LPWC will not result in unreasonable protection to health (URPH). LPWC does not have any reasonable alternative drinking water source. The system cannot make a management/restructuring change at this time resulting in compliance. LPWC was in operation on the effective date of the new MCL.

Please take into consideration all of the above factors and issue us an exemption from the arsenic maximum containment level for the above water system.

Very truly yours,



Steve Gudovic, P.E.
President
Little Park Water Company

Attachment

Updated 08/07

LITTLE PARK WATER COMPANY

HISTORICAL DATA FOR ARSENIC reported in parts per million (mg/l)

	POE #	1981	1983	1985	1986	1988	1989	1990	1991	1992	1994	1996	1997	Feb-00	May-00	Dec-02	Jul-03	Sep-05	Oct-06
LPW #1	008									<.025	0.020	0.032		0.024	0.025	0.024		0.026	
LPW #2	009							0.030			0.022	0.029		0.023	0.025	0.024		0.027	

DOCKET W-02192

Cancelling Sheet No.

Applies to all WATER service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

I. CURTAILMENT PLAN FOR LITTLE PARK WATER COMPANY, INC.

ADEQ Public Water System Number: AZ 13-075

Little Park Water Company, Inc. ("Company") is authorized to curtail water service to all customers, within its certificated area under the terms and conditions listed in this tariff.

This curtailment plan shall become part of the Arizona Department of Environmental Quality Emergency Operations Plan, and the Drought Preparedness Plan and Water Conservation Plan to the Arizona Department of Water Resources applicable to the Company.

The Company shall notify its customers of this new tariff as part of its next regularly scheduled billing after the effective date of the tariff or no later than sixty (60) days after the effective date of the tariff.

The Company shall provide a copy of the curtailment tariff to any customer, upon request.

Stage 1 Exists When:

Company is able to maintain water storage in the system at 100 percent of capacity and there are no known problems with its well production or water storage in the system.

Restrictions: Under Stage 1, Company is deemed to be operating normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

Issued: _____, 2007

Effective: _____, 2007

ISSUED BY:

Stevan Guodvic, President
Little Park Water Company, Inc.
45 Castle Rock Road, Suite #4
Sedona, Arizona 86351

DOCKET W-02192

Cancelling Sheet No.

Applies to all **WATER** service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

Stage 2 Exists When:

- a. Company's water storage or well production has been less than 80 percent of capacity for at least 48 consecutive hours, and
- b. Company has identified issues such as steadily declining water table, an increased draw-down threatening pump operations, or poor water production creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.
- c. Restrictions: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

Issued: _____, 2007

Effective: _____, 2007

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Stevan Guodvic, President
Little Park Water Company, Inc.
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Sedona, Arizona 86351

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Cancelling Sheet No.

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PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

Stage 3 Exists When:

- a. Company's total water storage or well production has been less than 50 percent of capacity for at least 24 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 3, Company shall request the customer to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 percent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible. Standpipe service shall be suspended.

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Beginning with Stage 3, Company shall post at least four signs showing the curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to the major subdivision served by the Company.

Issued: _____, 2007

Effective: _____, 2007

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Stevan Guodvic, President
Little Park Water Company, Inc.
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Sedona, Arizona 86351

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PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 3.

Once Stage 3 has been reached, the Company must begin to augment the supply of water by either hauling or through an emergency interconnect with an approved water supply in an attempt to maintain the curtailment at a level no higher than stage three until a permanent solution has been implemented.

Stage 4 Exists When:

- a. Company's total water storage or well production has been less than 25 percent of capacity for at least 12 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 4, Company shall inform the customers of a **mandatory** restriction to employ water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection. The following uses of water shall be prohibited:

Issued: _____, 2007

Effective: _____, 2007

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Stevan Guodvic, President
Little Park Water Company, Inc.
45 Castle Rock Road, Suite #4
Sedona, Arizona 86351

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PART TWO

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WATER SERVICE

- ◆ Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- ◆ Washing of any vehicle is prohibited
- ◆ The use of water for dust control or any outdoor cleaning uses is prohibited
- ◆ The use of drip or misting systems of any kind is prohibited
- ◆ The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- ◆ The use of construction water is prohibited
- ◆ Restaurant patrons shall be served water only upon request
- ◆ Any other water intensive activity is prohibited

The Company's operation of its standpipe service is prohibited. The addition of additional service lines and meter installations is prohibited.

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Company shall post at least four (4) signs showing curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to the major subdivision served by the Company.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 4.

Issued: _____, 2007

Effective: _____, 2007

ISSUED BY:

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WATER SERVICE

Customers who fail to comply with the above restrictions will be given a written notice to end all outdoor use. Failure to comply with in two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

Once Stage 4 has been reached, the Company must augment the supply of water by hauling or through an emergency interconnect from an approved supply or must otherwise provide emergency drinking water for its customers until a permanent solution has been implemented.

Issued: _____, 2007

Effective: _____, 2007

ISSUED BY:

Stevan Guodvic, President
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Sedona, Arizona 86351